

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1064 – SB 1267

March 28, 2017

SUMMARY OF ORIGINAL BILL: Requires the Department of Financial Institutions (DFI) to consult with financial service providers, the Tennessee Commission on Aging and Disability (TCAD), and the Department of Human Services (DHS) to consider ways the entities can collaborate to promote education and awareness of the dangers of financial exploitation and theft.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (006425): Deletes all language after the enacting clause. Creates the *Elderly and Vulnerable Adult Financial Exploitation Prevention Act*. Authorizes financial service providers to refuse service when there is reasonable belief that financial exploitation or theft has occurred. Requires such instances to be reported to the Department of Human Services (DHS).

Authorizes financial service providers to alert certain authorized persons of a potential threat to a vulnerable adult. Authorizes financial institutions to provide access to or copies of records in response to an administrative subpoena issued by DHS. Requires DHS to notify a customer whose records are requested through subpoena within 30 days of receipt of the records.

Requires charges by a financial institution at rates that do not exceed those established by the financial institution's fee schedule, rather than the Internal Revenue Service, to be deemed reasonable for the purposes of fees charged for preparing and delivering records in response to a subpoena. Repeals the provisions of this legislation on June 30, 2022.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

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Assumptions for the bill as amended:

- Based on information provided by DHS, any impact can be handled within existing resources without an additional appropriation or a reduced reversion.
- Any impact on the Department of Financial Institutions is estimated to be not significant.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

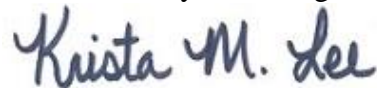
Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Any permissive business expenditures incurred by financial institutions to alert the proper parties or resulting from refusing a transaction will not result in a significant impact to businesses.
- Business revenue may increase if a financial institution establishes a fee schedule for preparing and delivering records with rates higher than that currently prescribed by the Internal Revenue Service. Any such statewide increase is estimated to be not significant.
- Any impact on jobs in Tennessee is considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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